GOVERNMENT OF INDIA
CIVIL AVIATION
LOK SABHA

UNSTARRED QUESTION NO:2103
ANSWERED ON:03.12.2001
CANCELLATION OF FLIGHTS BY AIR INDIA
RAJO SINGH;SRINIVASULU KALAVA;SULTAN SALAHUDDIN OWAISI;VILAS BABURAO MUTTEMWAR;VIRENDRA KUMAR

Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Air India and Indian Airlines have cancelled its flights to United States of America because of the developments in that country caused by terrorist attacks on various establishments and increase in insurance cost and high fuel price;

(b) if so, the number of flights cancelled and the loss suffered by these Airlines on this account; and

(c) the steps taken by Government to Help these airlines?

Answer

THE MINISTER OF CIVIL AVIATION (SHRI SYED SHAHNAWAZ HUSSAIN)
(a) and (b) : Air India had cancelled 22 single flights and suffered loss of Rs. 8.50 crores on this account during the period of four days when the US airspace was closed after the terrorist attack on September 11, 2001. No flight was cancelled due to increase in insurance cost and high fuel price. Indian Airlines do not operate to USA.
(c) : Air India have reduced their capacity to match the reduced demand. Government of India has provided indemnity to the tune of USD 500 million to Air India which is equal to the shortfall in the 3rd party cover required and the same available in the market till 30.11.2001. This cover which was valid only till 12.10.2001 has been extended by the Government till 30.11.2001.